

PROPERTY TAX DEDUCTIONS

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For use after March 1, 1999

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APPOINTEE FILING.

Indiana code 6-1.1-12-0.7 - Any individual who is 65 years of age, blind or disabled may appoint an individual 18 years of age or older to act on his behalf in the filing of any of

the following deductions. The appointee's name, address and telephone number must be included on the statement.

ELIGIBILITY FOR DEDUCTIONS.

IC 6-1.1-12-17.8 Deductions; subsequent applications; notice of ineligibility

- (a) "An individual who receives a deduction provided in section 1, 9, 11, 13, 14, 16 or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.
- (b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property or mobile home for which he claims the deduction is located of his ineligibility before May 10 of the year in which he becomes ineligible.
- (c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.
- (d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if.

(1) the individual is the sole owner of the property following the death of the individual's spouse;

(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or

(3) the individual is awarded sole ownership of the property in a divorce decree."

Indiana Code 6-1.1-12-17.8 and 36 - Any individual, who receives a deduction provided under section 1,9, 11, 13, 14, 16 or 17.4 of the chapter, and who remains eligible for any of these deductions is not required to file a statement to apply for the deduction in the following year.

Any individual who becomes ineligible for a deduction, listed above, shall notify the auditor of the county in which the real property is located before May 10 of the year in which becomes ineligible.

Mortgage or Contract Indebtedness Deduction (Form 5)

A. Code Cites: IC 6-1.1-12-1 through IC 6-1.1-12-8

B. Amount of Deduction: The lessor of-

1. the balance of his mortgage or contract indebtedness on the assessment date of that year;
2. \$ 1,000; or
3. one-half of the assessed value of his real property for that year.

C. Qualifications: a person who

1. is a resident of this state;
2. owns real property located in Indiana; and
3. owes a debt which is secured by a mortgage or recorded contract on the real estate, which provides that the contract buyer is to pay the property taxes.

D. Filing Dates: To obtain the deduction for March I of the current year, the application must be filed in person or by mail between May I I of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before May 10.

Note: This deduction requires a \$1.00 filing fee for each application filed.

Note: A contract buyer must submit a copy of memorandum of the recorded contract, which must contain a legal description with the first statement he files under this deduction. Upon receipt of this statement and contract, the county auditor shall assign a separate description and identification number to the parcel being sold under the contract.

2. *AGE 65 DEDUCTION (Form 323)*

A.Code Cites: IC 6-1.1-12-9 through IC 6-1.1-12-10.1

B. Amount of Deduction:

1 . In the case of real property, \$2 , 000 ;

2. In the case of a mobile home which is not assessed as real property, the lesser of-

a. One-half the assessed value of the mobile home; or b. \$2 , 000 .

Amount of Deduction - Joint Tenants, Tenants in Common

The amount of the deduction to be allowed shall be reduced if all of the tenants are not at least sixty-five years of age.

The **reduction** shall be an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five years of age, and the denominator is the total number of tenants.

Example: Three owners (tenants), with one eligible for age deduction

$$\begin{aligned} \$2,000 \times 2/3 &= \$1333 \\ \$2,000 - \$1333 &= \\ \$667 \end{aligned}$$

In the case of a mobile home with an assessed valuation of \$2,000, the following would apply:

$$\text{MHAV} = \$1000$$

$$\$2000 \times 1/3 = \$667$$

C. Qualifications:

the individual is at least sixty-five year of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of-

a. the individual and his or her spouse;
or

b. the individual and all other individuals with whom

he shares ownership, or is

purchasing on contract;

as joint tenants or tenants in
common;

for the calendar year preceding the year in which
the deduction is claimed did not exceed twenty-five
thousand dollars (\$25,000);

the individual has owned the real property or mobile
home under a recorded contract for at least one year
before claiming the deduction; or the individual has
been buying the real property or mobile home under
a recorded contract for at least one year before
claiming the deduction, and that contract provides
that he is to pay the property taxes;

the individual and any individuals with whom the
applicant shares ownership as tenants by the
entirety, joint tenants or tenants in common, reside
on the real property or in the

mobile home (an individual may not be
denied this deduction because he is absent
from the real property or mobile home while
in a nursing home or hospital);

the assessed value of the real property or
mobile home does not exceed twenty-three
thousand dollars (\$23,000); and

the individual received no other property tax
deduction other than the Mortgage or
Contract Indebtedness Deduction,
Homestead Credit and Standard Deduction.

D. Filing Dates: Must be filed in person or by mail. If
mailed, the mailing must be postmarked on or before the
last day for filing.

1. With respect to real property, to
obtain the deduction for March 1 of the
current year the statement must be filed
between May 11 of the preceding year and
May 10 of the current year.

2. With respect to a mobile home which is not assessed as real property, the statement must be filed between January 15 and March 31.

4- Note: In case of a **Surviving Spouse**, he or she is entitled to the deduction if:

1. he/she is at least sixty years of age on or before December 31 of the calendar year preceding the year

in which the deduction is claimed;

2. his/her deceased wife/husband was at least sixty-five years of age at the time of his or her death;

3. he/she has not remarried; and

4. he/she meets the other requirements set out in the above-mentioned qualification of subsection (a)2 through (a)6.

The surviving spouse is not entitled to the deduction if the individual has sold the property to another person under contract that provides that the contract buyer is to pay the property taxes.

Note: If the real property or mobile home is owned by a husband and wife as tenants by the entirety or as joint tenants with rights of survivorship, only one deduction may be allowed. However, the age requirement is satisfied if either one of the tenants is at least sixty-five years of age.

3. *BLIND OR DISABLED DEDUCTION (Form 186)*

A. Code Cites: IC 6-1.1-12-11 through IC 6-1.1-12-12

B. Amount of Deduction: Two thousand dollars (\$2 , 000)

C. Qualifications:

If the individual is **blind** as supported by;

a. the definition contained in IC 12-1-1-1 (0) ;

b. the records of a county department of public welfare, the state department of public welfare or the Indiana Rehabilitation services; or

c. the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or

the individual is **disabled** as supported by; a. a Federal Social Security Administration statement of disability; or by. the written statement of a physician licensed to practice medicine in Indiana stating that the claimant is **unable** to engage in **any substantial gainful activity** by reason of physical or mental impairment which can be expected to last for a continuous period of not less than twelve months;

he owns or is buying under a **recorded** contract that provides he is to pay property taxes on the real property; the real property is principally used and occupied by him as his residence; and his taxable gross income for the calendar year in which the deduction is claimed did not exceed thirteen thousand dollars (\$17,000). For purposes of this section, taxable under the federal income tax laws of the United States.

D. Filing Dates: To obtain the deduction for March I of the current year, the application must be filed in person or by mail between May I I of the preceding year and May 10 of the current year. If mailed, the mailing unit must be postmarked on or before the last day for filing.

E. An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

4. *PARTIALLY DISABLED VETERAN (Form 12A)*

A. Code Cites: *IC 6-1.1-12-13* and *IC 6-1.1-12-15*

B. Amount of Deduction: Four thousand dollars (\$4,000)

C. Qualifications: If-

he owns, or is buying under a recorded contract that provides that he is to pay property taxes on the real property; he served in the military or naval forces of the United States **during any of its wars**; he received an honorable discharge; he is disabled with a **service-connected disability** of ten percent or more; and his disability is evidenced by a pension certificate, an award of compensation, or a disability compensation check or a certificate of eligibility issued to the individual by the Indiana Department of Veteran's Affairs after the department determines that the individual's disability qualifies for the deduction.

D. Filing Dates: To obtain the deduction for March 1 of the current year, the application must be filed in person or by mail between May 11 of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before the last day for filing.

Note: A surviving spouse of an individual may receive the deduction if the individual would qualify for the deduction if he were alive.

Note: An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

Note: May be used as an **excise tax credit** on either the Motor Vehicle Excise Tax (IC 6-6-5-5) calculated at \$6.00 for each unused \$ 100 of deduction or the Aircraft License Excise Tax (IC 6-6-6.5-13) calculated at \$7.00 for each \$100 of unused deduction.

4- Note: One who receives this deduction may not receive the deduction provided by IC 6-1.1-12-16. However, he may receive any other property tax deduction which he is entitled to by law.

5. *TOTALLY DISABLED VETERAN (Form 12)*

A. Code Cites: IC 6-1.1-12-14 and IC 6-1.1-12-15

B. Amount of Deduction: Two thousand dollars (\$2,000)

C. Qualifications: If

- he owns or is buying under a **recorded** contract that provides that he is to pay real estate property tax;
- he served in the military or naval forces of the United States for at least 90 days; he received an honorable discharge;
- he is totally disabled or is at least age 62 with a disability of 10% or more;
- his disability is evidenced by a pension certificate or an award of compensation issued by the veteran's administration, to its successor; and
- the assessed value of his or her tangible property does not exceed eighteen thousand dollars (\$18,000).
- his disability is evidenced by a pension certificate, an award of compensation, or a disability compensation check or a
- certificate of eligibility issued to the individual by the Indiana Department of Veteran's Affairs after the department
- determines that the individual's disability qualifies for the deduction.

D. Filing Dates: To obtain the deduction for March 1 of the current year, the application must be filed in person or by mail between May 11 of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before the last day for filing.

Note: A **surviving spouse** of an individual may receive the deduction of the individual would qualify for the deduction if he were alive.

Note: An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

Note: May be used as an **excise tax credit** on either the Motor Vehicle Excise Tax (IC 6-6-5-5) calculated at \$6.00 for each unused \$100 of deduction or the Aircraft License Excise Tax (IC 6-6-6.5-13) , calculated at \$7.00 for each \$100 of unused deduction.

6. *SURVIVING SPOUSE OF A VETERAN (Form 12)*

A. Code Cites: IC 6-1.1-12-14 and IC 6-1.1-12-15

B. Amount of Deduction: Three thousand dollars (\$3 , 000)

C. Qualifications: If:

- he owns, or is buying under a **recorded** contract that provides that he is to pay property taxes on the real property;
- he served in the military or naval forces of the United States for at least ninety days;
- he received an honorable discharge;
- he is totally disabled or is at least age 62 with a disability of 10% or more;
- his disability is evidenced by a pension certificate or an award of compensation issued by the veterans' administration, to its successor; his disability is evidenced by a pension certificate,
- an award of compensation, or a disability compensation check or a certificate of eligibility issued to the individual by the Indiana Department of Veteran's Affairs after the department determines that the individual's disability qualifies for the deduction. and
- the assessed value of his or her tangible property does not exceed sixteen thousand dollars (\$18,000)

D. Filing Dates: To obtain the deduction for March 1 of the current year, the application must be filed in person or by mail between May 11 of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before the last day for filing.

Note: A **surviving spouse** of an individual may receive the deduction if the individual would qualify for the deduction if he were alive.

Note: An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

Note: May be used as an **excise tax credit** on either the Motor Vehicle Excise Tax (IC 6-6-5-5) calculated at \$6.00 for each unused \$100 of deduction or the Aircraft License Excise Tax (IC 6-6-6-3-13) , calculated at \$7.00 for each \$100 of unused deduction.

7 *SURVIVING SPOUSE OF A VETERAN WWI (Form 12B)*

A. Code Cites: IC 6-1.1-12-16 and IC 6-1.1-12-17

B. Amount of Deduction: Three thousand dollars (\$3,000)

C. Qualifications: If the deceased spouse;

Owned or was buying under a **recorded** contract that provided that he was to pay property taxes on the real property; Served in the military or naval forces of the United States before November 12, 1918; and Received an honorable discharge

D. Filing Dates: To obtain the deduction for March I of the current year the application must be field in person or by mail between May 11 of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before the last day for filing.

The statement shall contain the following:

- 1) A sworn statement that the surviving spouse is entitled to the deduction, and
- 2) Record number and page number where the contract or memo of a contract recorded, if buying on contract; and
- 3) A letter from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

Note: One who receives this deduction may not receive the deduction provided by IC 6-1.1-12-13. However, he may receive any other property tax deduction, which he is entitled to by law.

Note: An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

Note: May be used as an **excise tax credit** on Motor Vehicle Excise Tax only, calculated at \$6.00 for each unused \$100 of deduction (IC 6-6-5-5).

8. *WORLD WAR I VETERANS (Form 12C)*

A. Code Cites: IC 6-1.1-12-17.4 and IC 6-1.1-12-17.5

B. Amount of Deduction: Three thousand dollars (\$3,000)

C. Qualifications: If-

he owns or is buying under a **recorded** contract that provides that he is to pay property taxes on the real property; the real property is the veteran's principal residence; the assessed valuation of the real property does not exceed twenty-six thousand dollars (\$26,000); and the veteran owns or is buying under a recorded contract the real property for at least one year before claiming the deduction.

D. Filing Dates: To obtain the deduction for March 1 of the current year, the application must be filed in person or by mail between May 11 of the preceding year and May 10 of the current year. If mailed, the mailing must be postmarked on or before the last day for filing.

Note: An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes may not claim this deduction.

Note: May be used as an **excise tax credit on** Motor Vehicle Excise Tax only, calculated at \$6.00 for each \$ 100 of unused deduction. (IC 6-6-5-5)

Note: If real property is owned by the husband and wife as tenants by entirety, only one deduction may be allowed under this section. However, the deduction applies if either spouse satisfies the requirement prescribed in subsection (a).

Note: An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

9. *REHABILITATED RESIDENTIAL PROPERTY (Form 322)*

A. Code Cites: IC 6-1.1-12-18 through IC 6-1.1-12-21, IC 6-1.1-12-25 and IC 6-1.1-12-25.5

B. Amount of Deduction: An amount not to exceed the lesser of,

the total increase in assessed value resulting from the rehabilitation; or

three thousand dollars (\$3,000) per rehabilitated dwelling unit.

Note: A general reassessment of real property, which occurs within the five-year period, does not affect the amount of the deduction.

C. Qualifications:

A single-family dwelling if before rehabilitation the assessed value of the improvements does not exceed \$6,000; A two-family dwelling if before rehabilitation the assessed value of the improvements does not exceed \$8,000; or A dwelling with more than two family units if before rehabilitation the assessed valuation does not exceed \$3,000 per dwelling unit.

Rehabilitation means repairs, replacements or improvements which are intended to increase the livability, utility, safety or value of the property and which do not increase the total amount of floor space devoted to residential purposes unless the increase in floor space is required in order to make the building comply with a local housing code or zoning ordinance.

D. Filing Dates: Must be filed in person or by mail on or before May 10 or no later than thirty days after the notice of the increased assessment. This application requires verification by the township assessor. The owner is entitled to this deduction annually for five years.

When real property is reassessed because it has been rehabilitated, the assessing official shall give the owner notice of the property tax deductions provided by IC 6-1.1-12-18 and IC 6-1.1-12-22.

For repairs or improvements made to a particular building or structure, a taxpayer may receive either the deduction provided by IC 6-1.1-12-18 or IC 6-1.1-12-22; however, he may not receive deductions under both sections.

If the deduction is not granted in full, the auditor shall notify the taxpayer by mail. A taxpayer may appeal a ruling that wholly or partially denies this deduction in the same manner that appeals may be taken under IC 6-1.1-15.

10. *REHABILITATED PROPERTY (Form 322A)*

A. Code Cites: IC 6-1.1-12-22 through IC 6-1.1-12-25.5

B. Amount of Deduction: 50% of the increase in assessed valuation due to rehabilitation; however, the maximum deduction for a particular years is:

\$20,000 for a single family dwelling unit; or
\$100,000 for any other type property.

C. Qualifications: Structures erected at least fifty years before the date of application and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation.

Rehabilitation means the remodeling, repair or betterment of structures in any manner or any enlargement or extension of the structure.

Within a given five year period, the enlargement or extension of the enclosed floor area of a structure shall be limited. The limitation shall be a total additional enclosed floor area equal to the size of the enclosed floor area of the structure on the completion date of the first extension or enlargement completed after March 1, 1973.

D. Filing Dates: Must be filed in person or by mail on or before May 10 or no later than thirty days after the notice of increased assessment. The owner is entitled to this deduction annually for five years.

When real property is reassessed because it has been rehabilitated, the assessing official shall give the owner notice of the property tax deductions provided in IC 6-1.1-12-18 and IC 6-1.1-12-22.

For repairs or improvements made to a particular building or structure, a taxpayer may receive either the deduction provided by IC 6-1.1-12-18 or IC 6-1.1-12-22; however, he may not receive deductions under both sections for repairs or improvements.

If the deduction is not granted in full, the auditor shall notify the applicant by mail. A taxpayer may appeal a ruling that wholly or partially denies this deduction in the same manner that appeals may be taken under IC 6-1.1-15.

H. SOLAR ENERGYSYSTEMS WIND POWER DEVICES (Form. SESIWPD-1)

A. Code Cites: IC 6-1.1-12-26, IC 6-1.1-12-27. 1, IC 6-1.1-12-29,
IC 6- 1. 1 -

12-30 and IC 6-1.1-12-36

B. Amount of Deduction: The remainder of-

the assessed value of the real property or mobile home with the System or Device included, minus the assessed value of the real property or mobile home without the System or Device.

C. Qualifications: Real property or a mobile home which is not assessed as real property which is equipped with a Solar Energy System or Wind Power Device.

Solar Energy System - Components that are unique to the heating and/or cooling system that are needed to collect, store or distribute solar energy.

Wind Power Device - A device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity. **See Regulation 20**

D. Filing Dates: Must be filed in person or by mail. If mailed the mailing must be postmarked no later than the last day for filing.

Real Property: (a) between March 1 and May 10 for the wind power device deduction; (b) to obtain the solar energy system deduction for March 1 of the current year, the application must be filed between May 11 of the preceding year and May 10 of the current year. Mobile Home (not assessed as real property). Between January 15 and March 31.

If the deduction is not granted in full, the auditor shall notify the taxpayer by mail. A taxpayer may appeal a ruling that wholly or partially denies this deduction in the same manner that appeals may be taken under IC 6-1.1-15.

Note: An individual who becomes ineligible to receive this deduction is required to notify the auditor of the county in which the property for which he received the deduction is located before March 31 of the year in which he becomes ineligible.

Note: Solar and Windpowered devices are not assessed by the Tippecanoe County Assessors and therefore the filing is not necessary.

12. *HYDROELECTRIC OR GEOTHERMAL HEATING OR COOLING DEVICES (Form SESIWD-1)*

A. Code Cites: IC 6-1.1-12-33 through IC 6-1.1-12-36

B. Amount of Deduction: The remainder of,

the assessed value of the real property or mobile home with the device included, minus the assessed value of the real property or mobile home without the device.

C. Qualifications: A device installed after December 31, 1981;

Hydroelectric power device means a device designed to utilize the kinetic power of moving

water to provide mechanical energy or to produce electricity.

Geothermal energy heating or cooling device means a device designed to utilize the natural heat from the earth to provide hot water, produce electricity or generate heating and cooling.

D. Filing Dates: With respect to real or personal property, must be filed between March 1 and May 10. With respect to a mobile home not assessed as real property, the statement must be filed between January 15 and March 31, inclusive.

If the deduction is not granted in full, the auditor shall notify the taxpayer by mail. A taxpayer may appeal a ruling that wholly or partially denies this deduction in the same manner that appeals may be taken under IC 6-1.1-15.

Note: An individual who becomes ineligible to receive this deduction is required to notify the auditor of the county in which the property for which he received the deduction is located before March 31 of the year in which he becomes ineligible.

Note: the Tippecanoe County Assessors do not assess Hydroelectric and Geothermal Heating/Cooling systems and therefore the filing is not necessary.

13. *REHABILITATION OR REDEVELOPMENT OF REAL PROPERTY IN ECONOMIC REVITALIZATION AREAS (Form 322ERA)*

Note: For personal property New Manufacturing Equipment, see Form 322 ERA/PP.

A. Code Cites: IC 6-1.1-12.1-1 through IC 6-1.1-12.1-7

B. Amounts of deduction for real property:

The following percentages are applied to the increase in assessed value resulting from the rehabilitation or redevelopment in an economic revitalization area.

* A deduction allowed over a ten-year period:

1st year - 100% 6th year - 40%

2nd year - 95% 7th year - 30%

3rd year - 80% 8th year - 20%

4th year - 65% 9th year - 10%

5th year - 50% 10th year - 5%

* A deduction allowed over a six-year period:

1st year - 100% 4th year - 50%

2nd year - 85% 5th year - 34%

3rd year - 66% 6th year - 17%

* A deduction allowed over a three year period:

1st year - 100%

2nd year - 66%

3rd year - 33%

Note: "Property" does not include land.

Property owners who are entitled to this deduction, pursuant to an application filed after December 31, 1978 and prior to January 1, 1986, are entitled to the deduction for a period of ten years.

In Marion County and in any city or town, an area may be designated a residentially distressed area under certain circumstance. This results in property tax deductions applicable only to dwellings. The amount of the deduction is one hundred percent of the assessed value of the dwelling, subject to dollar limitations based on occupancy. (IC 61.1-12.1-2(c))

C. Qualifications: The owner of property which is located in an economic revitalization area qualifies if-

* the property has been rehabilitated, or

* the property is located on real property that has been redeveloped.

Economic Revitalization Area means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard

buildings or other factors which have impaired values or have prevented a normal development of property or use of property. It includes an area where a facility or group of facilities that are technologically, economically or energy obsolete, are located and where the obsolescence may lead to a decline in employment and tax revenues and a residentially distressed area, except as otherwise provided in this chapter.

Redevelopment means the construction of new structures in economic revitalization areas, either:

on unimproved real estate; or on real estate upon which a prior existing structure is demolished to allow for a new construction

Rehabilitation means the remodeling, repair or betterment of property in any manner or any enlargement or extension of property.

D. Except for deductions initiated before December 31, 1987, and except for all deductions in Marion County, a deduction is not permitted with respect to the following facilities:

- Private or commercial golf course
- Country club
- Massage parlor
- Tennis club
- Skating facility (including roller skating, skateboarding or ice skating)
- Racquet sport facility (including any handball or racquetball court)
- Hot tub facility
- Suntan facility
- Racetrack
- Any facility the primary purpose of which is:
 - Retail food and beverage service;
 - Automobile sales or service; or
 - Other retailunless the facility is located in an economic development target area.
- Residential, unless;
 - the facility is a multifamily facility that contains at least twenty percent (20%) of the units available for use by low and moderate income individuals;

- the facility is located in an economic development target area; or
- the area is designated as a residentially distressed area.

E. Filing Dates:

- Before May 10 of the year in which the addition to assessed valuation is made; or
- if notice of the addition to assessed valuation of new assessment for any year is not given to the property owner before April 10 of that year, the application may be filed not later than thirty days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor; or
- an individual who has failed to file as outlined above may file an application between March 1 and May 10 of a subsequent year, which shall be applicable for the year filed and the subsequent years.

F. Statement of Benefits: A statement of benefits (State Form 27167) must be attached to each application for an economic revitalization area deduction.

Note: A property owner may not receive a deduction under this chapter for repairs or improvements to real property if he receives a deduction under either IC 6-1.1-1218 or IC 6-1.1-12-22 for those same repairs or improvements.

14. *HOMESTEAD CREDIT (Form HC-10)*

A. Code Cites: IC 6-1.1-20.9-1 through IC 6-1.1-20.9-6

B. Amount of Credit: The product of :

A percentage as follows: 10% for taxes payable in 1998 through 2001; and 4% for taxes payable in 2002 and thereafter multiplied by The amount of the individual's residential property tax liability.

A county income tax council may adopt an additional percentage of homestead credit funded from the county option income tax. The amount of the increase equals the amount designated by the council by ordinance.

C. Qualifications: The credit will be computed on the assessed valuation of the dwelling and land not exceeding one acre that immediately surrounds that dwelling if:

- The individual used the residence as his principal place of residence on March 1 of the present year;
- The residence is located in Indiana; and
- The taxpayer either owns the residence or is buying under a contract, recorded in the county recorder's office that provides he is to pay the property taxes in the residence.
- The residence consists of a single-family dwelling and the real estate, not exceeding one acre, that immediately surrounds the dwelling.

If the taxpayer is not an individual, the credit applies if the individual who resides in the dwelling has a beneficial interest in the taxpayer.

Dwelling means residential real property improvements, which an individual uses as his residence, including a house or garage. (No portion of a residential dwelling which is **income producing** is eligible for this credit.)

D. Filing Dates: To be filed during the twelve months before May 11 of the year prior to the first year for which the person wishes to obtain the credit.

If an individual **changes the use** of his real property, so that part of all of that real property no longer qualifies for this credit, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change within sixty days after the date of that change.

Note: The Tippecanoe County Local Option Income Tax (COIT) contributes an additional 8% to the Homestead Credit.

15. *HOMESTEAD STANDARD DEDUCTION*

A. Code Cites: IC 6-1.1-12-37

B. Each year a person who is entitled to receive the homestead credit provided under IC 6-1.1-20.9 for property taxes payable in the following year is entitled to a standard deduction from the assessed value of the real property that qualifies for the homestead credit.

C. The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

D. The total amount of the deduction that a person may receive under this section for a particular year is the lesser of-

One-half (1/2) of the assessed value of the residential property or

Two thousand dollars (\$2,000) for 1990 and thereafter.

Note: A person who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section with respect to that real property.